



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

October 24, 2001

CERTIFIED RETURN RECEIPT
7099 3400 0016 8896 4493

William Bown
Utah Building Stone Supply
842 West 400 North
West Bountiful, Utah 84087

Re: Notice of Non-Compliance, Utah Building Stone Supply Company, Grouse Creek Mountain Mine, M/003/031, Box Elder County, Utah

Dear Mr. Bown:

This letter provides formal notice that mining operations at the Grouse Creek Mountain Mine (M/003/031), located in Box Elder County, Utah, are being conducted in violation of the Utah Mined Land Reclamation Act, 40-801 et.seq. (Act) and the Minerals Reclamation Program Rules, sections R647-1 through R647-5.

A site inspection was performed on October 10, 2001, which confirmed that large mining operations have been conducted outside of the approved permit area.

Findings of Non-Compliance

1. Utah Building Stone Supply has expanded their mining operations by an additional 1.2 acres of surface disturbance (0.9 acre staging area and 0.3 acres of additional road). Rule R647-4-118 requires an operator to file a Notice of Intention to Revise Large Mining Operations (FORM MR-REV), post adequate reclamation surety and receive Division approval of the revised permit application before creating any new mine disturbance. To date, Utah Building Stone Supply has failed to file an application to revise the approved Notice of Intention to include this additional disturbance.
2. Rule R647-4-113 requires an operator to post surety with the Division to ensure adequate reclamation is performed, before mining-related disturbances are created. To date, Utah Building Stone Supply has not filed adequate reclamation surety to cover the additional 1.2 acres of new surface disturbance.

3. Trash, discarded batteries, and debris has not been properly disposed of as required by Rule R647-4-107 (1).
4. The present \$12,200.00 reclamation surety, was calculated in 1998 to reclaim the 12.6 acres of mining related disturbance at the Grouse Creek Mountain Quarry. The additional 1.2 acres of disturbance created by Utah Building Stone Supply is unpermitted and not covered by the present amount of reclamation surety.

Location of Non-Compliance

Disturbances associated with this non-compliance at the Grouse Creek Mountain Mine are located in portions of Sections 32 (new staging area) and 34 (North Canyon Area), T13N, R17W, SLBM, Box Elder County, Utah.

Mitigation Requirements:

1. **Utah Building Stone Supply must post reclamation surety for the additional 1.2 acres of disturbance within 30 days of its receipt of this letter. An additional \$4,500 surety is required for a total surety amount of \$16,700** (the previous surety amount of \$12,200 has been escalated to cover the next 5-year period). This surety will remain in place until a permit revision updating the original mining and reclamation plan is submitted and approved. The surety amount will be adjusted accordingly upon Division approval of the permit revision application. Please contact Joelle Burns at (801) 538-5291 to obtain the proper forms for filing this transitional surety.
2. Utah Building Stone Supply must **file a Notice of Intention to Revise Large Mining Operations** (FORM MR-RV enclosed) to modify the approved large mine permit to include this additional acreage, **within 30 days** of receipt of this letter.
3. Utah Building Stone Supply must **clean up all trash** that has been scattered over the site, and **properly dispose of discarded batteries** located at the new staging area. This needs to be completed **within 10 days** of receipt of this letter.
4. Until the additional surety is posted and the permit revision is approved, **Utah Building Stone Supply must restrict its mining operations to the current permitted disturbed area. The 0.9 acre staging area disturbance boundary must be marked with metal T-posts, or other appropriate markers, to ensure that operations are not conducted outside of the current disturbed area.** The markers must be placed so they can be seen in either direction with the naked eye. **The markers must be installed within 30 days of your receipt of this notice.**

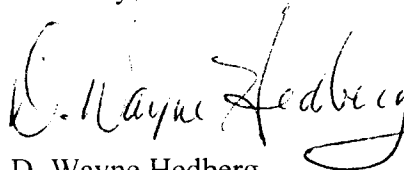
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Penalties for Failure to Comply

1. Utah Building Stone Supply's failure to resolve this Notice of Non-compliance within the timeframes set forth in this letter will result in the filing of a formal Notice of Agency Action. This enforcement action could require the operator to appear at an informal hearing before the Division Director, or a formal hearing before the Board of Oil, Gas and Mining. Following public notice and formal hearing, the Board may issue an abatement or compliance Order which may require: immediate suspension or termination of all mining operations until the revised plan is approved; revocation of the existing permit and immediate reclamation of the site; and/or other lawful requirements as authorized under the Act.
2. The Board may also ask the County prosecutor or attorney general to bring suit against the operator to enforce its Orders and to seek assessment of appropriate penalties, not to exceed \$10,000 for each knowing or willful violation of the Act.

If you have any questions regarding the requirements of this letter, please contact me at (801) 538-5286, or Lynn Kunzler at 538-5310. Thank you for your immediate attention to this matter.

Sincerely,



D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
Attachment: Inspection Memo
Enclosure: Form MR-REV
cc: Gary Bagley, SITLA
Mary Ann Wright, Associate Director
Lynn Kunzler, DOGM
M03-31-non-comp.doc